



CPUC Public Agenda 3374
Thursday, March 17, 2016 9:30 a.m.
San Francisco, CA



Commissioners:
Michael Picker, President
Michel Peter Florio
Catherine J.K. Sandoval
Carla J. Peterman
Liane M. Randolph

www.cpuc.ca.gov





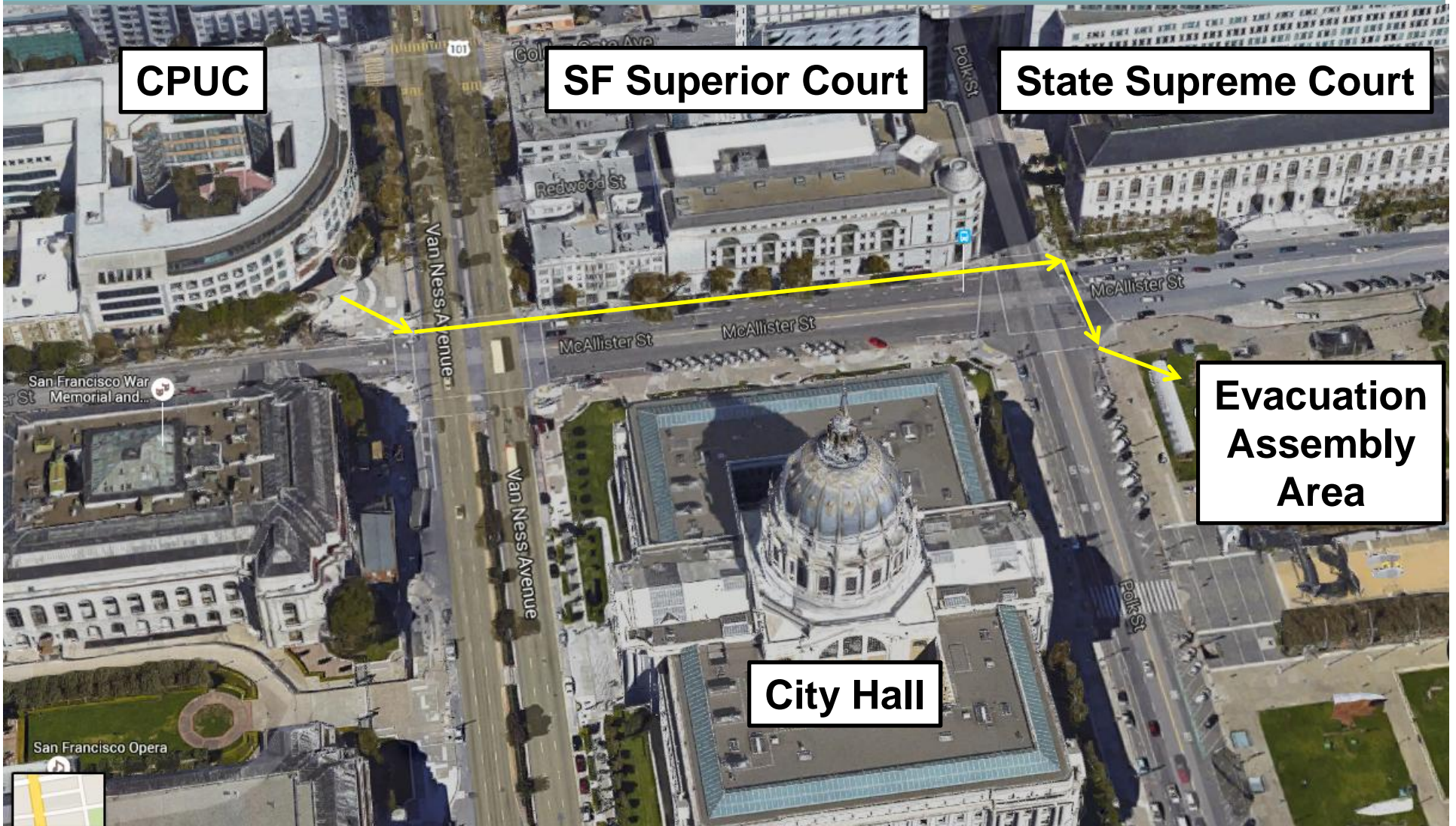
The Pledge of Allegiance



“I pledge allegiance to the Flag of the
United States of America,
and to the Republic for which it stands,
one nation under God,
indivisible,
with liberty and justice for all.”



Evacuation Assembly Location





Public Comment

- Per Resolution ALJ-252, any member of the public (excluding parties and their representatives) who wishes to address the CPUC about matters before the Commission must sign up with the Public Advisor's Office table before the meeting begins. If an individual has signed up using the electronic system on the Commission's website, they must check in with the Public Advisor's Office on the day of the meeting, by the sign-up deadline.
- Once called, each speaker has up to 3 minutes at the discretion of the Commission President. Depending on the number of speakers, the time limit may be reduced to 1 minute.
- A sign will be posted when 1 minute remains.
- A bell will ring when time has expired.
- At the end of the Public Comment Section, the Commission President will ask if there are any additional individuals who wish to speak. Individuals who wish to speak but did not sign up by the deadline, will be granted a maximum of one minute to make their comments.

Public Comment is not permitted on the following items:

- **7, 19, 20, 22, 43, 44.**
- All items on the Closed Session Agenda





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- Once called, each speaker has up to 2 minutes at the discretion of the Commission President. Depending on the number of speakers, the time limit may be reduced to 1 minute.
- A sign will be posted when 1 minute remains.
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Public Agenda Changes

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each CPUC meeting.

- Items on Today's Consent Agenda are: **1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 38, 39, 40, 41, 42, 43, 44.**
- Any Commissioner, with consent of the other Commissioners, may request an item from the Regular Agenda be moved to the Consent Agenda prior to the meeting.
- **Items 47, 50, 53, 54g, 55v, 55ah, 56k, 56l, 56n** from the Regular Agenda has been added to the Consent Agenda.
- Any Commissioner may request an item be removed from the Consent Agenda for discussion on the Regular Agenda prior to the meeting.
- **Item 21** has been moved to the Regular Agenda.
- **Items 36, 54 (except Sub-Item 54g, 55 (except Sub-Item 55v and 55ah, 56 (except Sub-Item 56k, 56l and 56n** have been withdrawn.
- The following items have been held to future Commission Meetings:
 - Held to **4/7/16**: **2, 4, 21, 32, 45, 45a, 45b, 51.**
 - Held to **4/21/16**: **37.**





Regular Agenda

- Each item on the Regular Agenda (and its alternate if any) will be introduced by the assigned Commissioner or CPUC staff and discussed before it is moved for a vote.
- For each agenda item, a summary of the proposed action is included on the agenda; the CPUC's final decision may, however, differ from that proposed.
- The complete text of every Proposed Decision or Draft Resolution is available for download on the CPUC's website: www.cpuc.ca.gov.
- Late changes to agenda items are available on the Escutia Table.





Regular Agenda – Energy Orders

Item # 21 [14667] – Granting Joint Motions to Approve Proposed Revisions to Electric Tariff Rule 21

R11-09-011

Order Instituting Rulemaking on the Commission’s Own Motion to improve distribution level interconnection rules and regulations for certain classes of electric generators and electric storage resources.

Ratesetting

Comr Picker - Judge Bushey

PROPOSED OUTCOME:

- Adopts revisions to Electric Tariff Rule 21 for Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company to Require Interconnection Unit Cost Guide, Enhance Pre-Application Report, and Publish Storage Interconnection Process Guidebook.
- Closes the proceeding.

SAFETY CONSIDERATIONS:

- The electric utilities remain responsible for the safe operation of their systems.

ESTIMATED COST :

- The costs associated with the outcome of this proceeding are unknown.





Regular Agenda – Energy Orders (continued)

Item # 46 [14670] – Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, Post-2016 Statewide Marketing, Education, and Outreach Activities

A12-08-007, A12-08-008, A12-08-009, and A12-08-010 - Related matters.

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Statewide Marketing, Education and Outreach Program and Budget. Consolidated applications include Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company.

Ratesetting

Comr Peterman – Judge Roscow

PROPOSED OUTCOME:

- Establishes a competitive solicitation process that will be used to select the entity that will implement and administer the statewide Marketing, Education, and Outreach program beginning in 2017.
- Orders that a workshop be conducted following the release of the results of a Commission-ordered evaluation, measurement, and verification study of the program. The workshop topics shall include the 2017 vision, goals, budget, and governance structure of the program.

SAFETY CONSIDERATIONS:

- This decision does not order any actions by the utilities relating to safety.

ESTIMATED COST :

- None as a result of this decision.





Regular Agenda - Energy Orders (continued)

Item # 48 [14719] – Order Requiring Southern California Gas Company to Establish a Memorandum Account to Track its Authorized Revenues for the Aliso Canyon Gas Storage Field

A15-07-014

Application of Southern California Gas Company and San Diego Gas & Electric Company for Authority to Revise their Natural Gas Rates Effective January 1, 2017 in this Triennial Cost Allocation Proceeding Phase 2.

Ratesetting

Comr Randolph - Judge Kenney

PROPOSED OUTCOME:

- Requires Southern California Gas Company to establish a memorandum account to track its authorized revenues for the Aliso Canyon gas storage field that are recovered in current and future rates. The Commission will determine at a later time whether some or all of the tracked revenues should be refunded to customers.

SAFETY CONSIDERATIONS:

- There are no safety considerations implicated by this decision.

ESTIMATED COST:

- There are no costs associated with this decision.





Regular Agenda - Energy Resolutions and Written Reports

Item # 49 [14641] – Commission Motion Authorizing Procurement from Forest Fuelstock Bioenergy Facilities Supplied from High Hazard Zones for Wildfires and Falling Trees Pursuant to the Governor’s Emergency Proclamation

Res E-4770

PROPOSED OUTCOME:

- Requires Pacific Gas and Electric Company (PG&E), Southern California Edison Company and San Diego Gas & Electric Company (SDG&E) to hold a solicitation for facilities that use biofuel from high hazard zones, which shall commence no later than July 1, 2016 using the Renewable Auction Mechanism procurement mechanism and standard contract.
- Allows PG&E and SDG&E to enter into bilateral contracts with existing forest bioenergy facilities receiving forest feedstock from high hazard zones during their 2015 Renewables Portfolio Standard solicitation cycle.

SAFETY CONSIDERATIONS:

- This Resolution supports the Governor’s Emergency Proclamation to address public safety and property from falling dead trees and wildfire.
- Renewable Auction Mechanism standard contracts contain Commission approved safety provisions, which require the seller to comply with all applicable requirements of law relating to the projects including those related to planning, construction, ownership, and/or operation of the projects. As a result, there are not any expected incremental safety implications associated with approval of this resolution.

ESTIMATED COST:

- This Resolution is expected to result in additional contracts which will lead to increased ratepayer costs. Actual costs of the contracts are unknown at this time.





Item 49

Resolution E-4770



Commission Motion Authorizing Procurement from Forest Fuelstock Bioenergy Facilities Supplied from High Hazard Zones for Wildfires and Falling Trees Pursuant to the Governor's Emergency Proclamation

Energy Division





Emergency Proclamation

- Governor declared emergency on October 30, 2015 to address tree mortality in California
- Proclamation orders state agencies to undertake actions to address the emergency, including:
 - State agencies including CAL FIRE to identify “high hazard zones for wildfire and falling trees”
 - CPUC to extend contracts for existing forest bioenergy facilities receiving feedstock from high hazard zones
 - The CPUC take expedited actions... including initiation of a targeted renewable auction mechanism and consideration of adjustments to the BioMAT Program





Resolution Actions

- Implements parts of the Emergency Proclamation
- Removes the prohibition in D.15-12-025 to allow SDG&E and PG&E to enter into bilateral contracts
 - PG&E and SDG&E already have enough generation to meet their RPS targets
- Authorizes a solicitation for facilities using feedstock from high hazard zones using the RAM procurement process and standard contract
 - Both new and existing facilities are eligible but IOUs can favor existing facilities in bid evaluation





Revisions to Draft Resolution Based on Comments

	Draft Resolution
Procurement Target	Minimum 50 MW (PG&E: 20 MW, SCE: 20 MW, SDG&E: 10 MW)
Minimum Fuel Requirement from High Hazard Zones	40% in 2016, 50% in 2017, 60% in 2018, and 80% for each subsequent year
Solicitation Date	Commence solicitation by May 15, 2016 subject to conditions
Other Additions	<ul style="list-style-type: none">- Contract price option of \$89.23/MWh when facility cannot meet minimum fuel requirement- Fuel verification process-quarterly attestation and audits- 5-year contract option





Procurement Challenges for High Hazard Zone Fuel

- Forest Service highlights uncertainty around supplying biomass from high hazard zones
- Uncertainty around fund availability for fuel removal, storage yards, transportation etc.
- State agencies have not designated high hazard zones officially
- Current maps depicting high hazard zones are not contractually enforceable to implement procurement







Regular Agenda - Energy Resolutions and Written Reports

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ESTIMATED COST:

- This Resolution is expected to result in additional contracts which will lead to increased ratepayer costs. Actual costs of the contracts are unknown at this time.





Regular Agenda – Transportation/Rail Safety Orders

Item # 51 [14615] – Rulemaking to Develop Additional Regulation for Transportation Network Companies

R12-12-011

Order Instituting Rulemaking on Regulations Relating to Passenger Carriers, Ridesharing, and New Online-Enabled Transportation Services.

Quasi-Legislative

Comr Randolph - Judge Mason

PROPOSED OUTCOME:

- Updates existing regulations and enacts new regulations, including vehicle inspections, driver training, carriers that transport unaccompanied minors, and rules for fare-splitting among passengers, among other issues, for Charter Party Carriers (TCPs) and Transportation Network Companies (TNCs). Further directs other issues to be addressed in Phase III.

SAFETY CONSIDERATIONS:

- Adopts additional requirements for vehicle inspections, records maintenance, records inspections, background checks for transporting unaccompanied minors, and leased vehicles.

ESTIMATED COST:

- The cost to the TNCs and TCPs in complying with these new requirements may be reflected in safety fees charged by the TNCs, or in overall higher per passenger charges by TNCs and TCPs.





Regular Agenda – Orders Extending Statutory Deadline

Item # 52 [14705] – Order Extending Statutory Deadline

A14-06-014

Application of Southern California Edison Company to Establish Marginal Costs, Allocate Revenues, Design Rates, and Implement Additional Dynamic Pricing Rates.

Ratesetting

Comr Florio - Judge Roscow

PROPOSED OUTCOME:

- Extends statutory deadline for completion of this proceeding until May 26, 2016.

SAFETY CONSIDERATIONS:

- There are no safety considerations implicated with this Order Extending Statutory Deadline.

ESTIMATED COST:

- There are no costs associated with this Order Extending Statutory Deadline.





Commissioners' Reports





Management Reports





Regular Agenda – Management Reports and Resolutions

Item # 57 [14629]

**Report and Discussion by Safety and Enforcement Division
on Recent Safety Program Activities**





Safety & Enforcement Division Pipeline Safety Program



Kenneth Bruno
Program Manager, Safety and Enforcement Division
California Public Utilities Commission
March 17, 2016





Pipeline Safety Program

- Independent Review Panel formed following the September 9, 2010 PG&E Transmission Line failure in San Bruno, CA
- Recommendation 6.2.4.4 was to undertake a management audit of the Gas Branch (then USRB)





Pipeline Safety Program

- Crowe Horwath was ultimately selected and performed the management audit
- Crowe issued its final report in February 2015 with 33 recommendations





Pipeline Safety Program

- Of the 33 recommendations:
- 20 completed, many of which are continuous improvement initiatives
- 10 are planned
- 3 are not planned





Pipeline Safety Program

“Conduct topic-specific standard inspections”

- Corrosion monitoring
- Valves and regulators
- Patrolling and leak surveys





Pipeline Safety Program

“Evaluate approaches to increase the number and thoroughness of inspections”

- Our redesigned approach allows us to perform more in-depth inspections, annual inspections of each territory, and increased sampling





Pipeline Safety Program

“Schedule time for resources to prepare inspection report within 30 days”

- New timeline expectations implemented in 2015





Pipeline Safety Program

“Provide additional specialized training”

- NTSB Cognitive Interview Training was held in San Francisco in December 2015 for GSRB





Pipeline Safety Program

“Implement a redesigned incident process”

- Implemented a Risk Based investigation structure





Pipeline Safety Program

Planned Recommendations

- Purchase tablets for inspections
- Purchase leak detection equipment
- Analyze incidents, violations, and findings to guide utility and field inspections





Pipeline Safety Program

Other GSRB Initiatives

- Process owners
- Service Line inspections
- Continuous improvement of procedures
- Staff mentoring, PHMSA mentoring









Regular Agenda – Management Reports and Resolutions

Item # 57 [14629]

**Report and Discussion by Safety and Enforcement Division
on Recent Safety Program Activities**





Regular Agenda – Management Reports and Resolutions

Item # 58 [14630]

Management Report on Administrative Activities





Supporting Documents



Administrative Law Judges Division





Electronic Filing System

- **Electronic Filing (E-Filing):**
 - Allows parties to “Submit for Filing” or “File” formal documents in proceedings
 - Allows parties to “Submit” supporting documents in proceedings
 - Confidential documents cannot be filed or submitted through the E-filing system. They continue to be submitted in hard copy





Transparency and Access

Testimony & Workpapers

Parties

A

eFiling Application

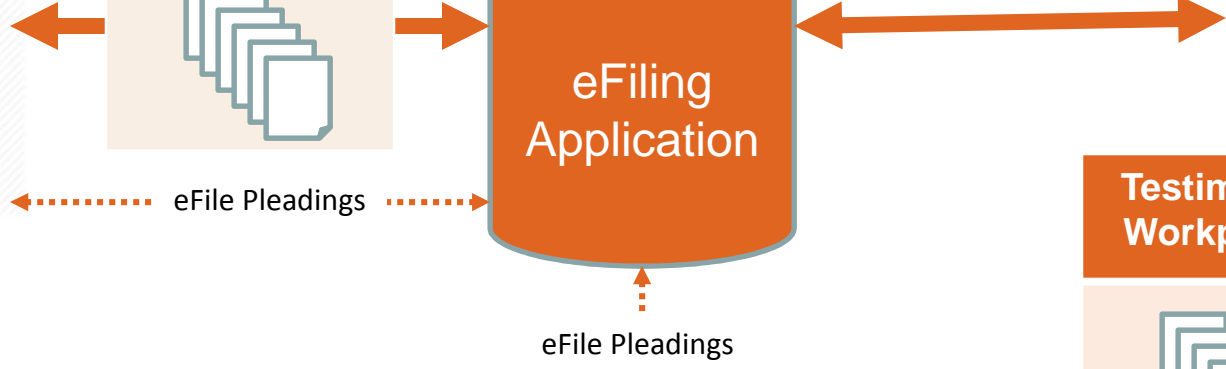
Judge

C

Testimony & Workpapers	Exhibits

Docket Office

B



During Hearings





Filings Vs. Submitting Supporting Documents

- Filing Documents:
 - All parties need to register on CPUC's web site to be able to file documents
 - Docket has to accept the document (through ARM)
 - Documents have to meet certain format (PDF/A)
 - Almost all filed documents need to be served on the service list
 - Filed documents appear on the Docket Card
- Submitting Supporting Documents:
 - All parties need to register on CPUC's web site to be able to submit supporting documents
 - Docket does not review or accept documents
 - Documents have to meet certain format (PDF/A)
 - Submitted supporting documents do not appear on the Docket Card but are accessible on the CPUC's web site:
 - Go to: Online Documents, choose: "[E-filed Documents](#)",
 - Select "Supporting Document" as the document type, (do not choose testimony)
 - Type in the proceeding number, hit search.





Instructions for Parties

- Use the sample ruling to give parties instructions about the “Supporting Documents” feature and how to SUBMIT documents electronically.
(<https://cs.cpuc.ca.gov/otcs/livlink.exe/open/158684666>)
- Use Supporting Documents for proceedings that testimony has not been served yet.





What is next?

- In the next phase, judges will be able to review and accept (or reject) submitted testimony as exhibits and place them in the Docket Card (this will be done through the “ALJ Module”).
- Trainings will be available for judges on the use of “ALJ Module”
- We are working on installing computers in hearings rooms to allow judges to use the supporting documents during hearings
- E-filing upgrade to allow confidential documents
- Questions or comments to Kale Williams, Ryan Cayabyab and ACALJ Ebke





Regular Agenda – Management Reports and Resolutions

Item # 58 [14630]

Management Report on Administrative Activities





Management Reports





The CPUC Thanks You For Attending Today's Meeting

**The Public Meeting is adjourned.
The next Public Meeting will be:**

**April 7, 2016 at 9:30 a.m.
in San Francisco, CA**

